



Becky Dawes
Procurement Director

Aiken County Financial Audit, 16-10-P

Aiken County, South Carolina is soliciting sealed proposals for a Certified Public Accounting firm to perform an audit of the government wide general purpose financial statements of the County and Public Service Authority for fiscal years ending June 30, 2016, 2017, and 2018, in accordance with the audit specifications and an option to extend for the fourth and fifth year.

Sealed proposals must be submitted as follows:

- Quotation form on page 8 of this document.
- A copy of the Firm's most recent Peer Review Report. (Refer to page 9)
- One original and five (5) copies of your proposal must be submitted.
- The completed non-collusion statement on page two of the Bid Document

Each proposal will be evaluated as follows:

- Compliance with RFP 20%
- Firm's Background 20%
- Staff Qualifications 25%
- Experience 25%
- Cost 10%

All communication concerning specifications or the County's accounting records should be addressed in writing to procurement@aikencountysc.gov. The final date for questions is March 30, 2016 at 5:00 p.m. Q&A will be posted to the website before 5:00 p.m. April 5, 2016.

Any changes or modifications in the proposal will be stated as an addendum to the RFP. All addenda must be acknowledged with your package by including a copy. You will not be notified of any addenda. These will be posted to our website.

<https://www.aikencountysc.gov/Depts/PRC/PRCmain.php>

SCOPE OF WORK/AUDIT SPECIFICATIONS

The audit of the financial statements of Aiken County, South Carolina will be made in accordance with generally accepted auditing standards and will include such auditing procedures as are necessary in order to express an opinion as to the fairness of presentation of such financial statements in accordance with generally accepted accounting principles. The examination will comply with the American Institute of Certified Public Accountants' Audit and Accounting Guide: Audits of State and Local Governmental Units. The audits must also be performed in accordance with Government Auditing Standards, issued by the Comptroller General of the United States; and the provisions of the Single Audit Act Amendments of 1996 and the



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provisions of the OMB Circular A-133, "Audits of State and Local Governments, and Non-Profit Organizations".

The examination will be made of all funds under the responsibility of the County.

Following the completion of the audit of the fiscal year's financial statements, the Auditor shall issue:

1. A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles.
2. A report on the internal control structure based on the Auditor's understanding of the control structure and assessment on control risk.
3. A report on compliance with applicable laws and regulations.
4. A report on the internal control structure used in administering federal financial assistance.
5. A report on compliance with law and regulations related to major federal financial assistance programs. This report should include an opinion on compliance with specific requirements applicable to major federal assistance programs.

The Audit Committee will meet with the Partner responsible for the audit at least three times throughout each yearly audit, once before fieldwork starts, once in the middle, and once at the conclusion of the audit.

County personnel will prepare all trial balances, prepare all bank reconciliations, pull invoices and other supporting documentation, and prepare introductory and statistical sections of the audit.

Additional work and/or special projects will be negotiated. If the accounting firm is unwilling to continue under the terms of the contract, the County may release it from its obligation. However, six (6) months' notice by the accounting firm will be required, and it will not be allowed to bid on the next two (2) contracts. If the standard of work performed or other aspects of the audit are not acceptable to the County, the contract can be canceled at the end of any audit.

The proposal should include all travel, copy, phone, etc. expenses so that all proposals will be all inclusive and comparable. Twenty-five (25) copies on acceptable bond stationery of the audit report must be delivered to the County Administrator on a mutually acceptable date each year.



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Description of the County Government

1. The auditor's principal contact with Aiken County Government will be County Council acting through the Audit Committee, or a designated representative, who will coordinate the assistance to be provided by Aiken County to the auditor.
2. Aiken County government serves a land area of approximately 1,073 square miles with an estimated population of 164,753 (2014 census estimate). The fiscal year begins on July 1 and ends on June 30.
3. Aiken County provides the following traditional service to its citizens:

General Government

Courts and legal

Public Safety

Environmental and Public Works

Human Services

The County government is organized into a number of departments and agencies. The accounting and reporting functions are centralized. The County accounts for and collects merchants, real estate and personal ad valorem taxes for the school district, some municipalities, and all public works districts in the county. It also accounts for and collects taxes for vehicles for the school district, all municipalities, and all public works districts in the county.

4. Aiken County utilizes fund types and account groups in its financial reporting. In most cases, the Governmental Accounting Standards Board's (GASB) pronouncements are used in accounting for revenue, expenses, and capital improvements in the various funds. The County has a fixed assets program in place.
5. Aiken County prepares its budget on a basis consistent with generally accepted accounting principles. The County Council adopts an annual budget each year before July 1. Certain provisions of each year's budget are contained in the budget ordinance text. The budget has three readings and a public hearing prior to its adoption. Aiken County will account for expenditures of approximately \$134,000,000 in the 2016 budget. The annual payroll amounts to \$36,600,000 covering the equivalent of 900 employees.
6. Aiken County receives financial assistance from a variety of sources. During the current fiscal year, the County has received twenty-nine (29) grants from Federal and State sources for a total of \$2.1 M.



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7. Aiken County contributes to the South Carolina Retirement System (SCRS) and to the Police Officers Retirement System (PORS). Generally, all County employees are members of the SCRS, except those full-time employees who are responsible for the protection of the public. These employees are members of the PORS. Specifics regarding the two pension plans can be found in Aiken County's notes to the financial statements and in the S.C. Retirements System's annual financial statements.
8. County employees can participate in certain health care, dental, and life insurance programs by payroll deduction. They may also participate in a State sponsored deferred compensation fund.
9. Outlined below are pertinent facts and information for use in the preparation of the Proposal:
 - General Ledger
 - Encumbrances with reserves
 - 54 Funds and 2 Account Groups
 - 6,100 different accounts (certain aspects of some segments of the account numbers are unique, others have the same definition throughout all funds:
 - 36 departments and 11 agencies
 - 5 outstanding General Obligation Bond Issues
 - 2 outstanding Revenue Bond Issues
 - Tax Digest
 - Currently using a third-party computer program for real estate and some personal property values.
 - Other values are prepared by: S.C. Department of Revenue and Taxation and S.C. Department of Natural Resources
 - Current and Delinquent Digest
 - Real estate values by Tax Assessor's Office
 - Tax Digest and Tax Bills by Auditor's Office
 - Processing of current and Vehicle Tax Payment by Treasurer's Office
 - Delinquent Taxes and Tax Sales by Tax Collector



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➤ Cash Receipts

- Collections by departments are turned in to the Treasurer with monthly reports as follows: Clerk of Court, Magistrates, Registrar of Mesne Conveyance, Probate Court, Sheriff, Solicitor, Planning & Development, Finance/Collections (Solid Waste, EMS), Parks & Recreations, Other miscellaneous collections.
- Treasurer writes approximately 400 receipts per month (excluding tax collections)
- Deposits by Treasurer
- Investment program handled by Treasurer (PSA collections and investments according to Revenue Bond Ordinance and contractual requirements)

➤ Cash Disbursements

- Treasurer has Cash Management Program – four (4) accounts
- Treasurer writes approximately 650 checks per month
- Accounts Payable checks – approximately 700 per month in Finance/Accounting Division. Checks drawn against one (1) of Treasurer's Cash Management Accounts. Due to/from other funds recognized in process. Account reconciled by Finance Department.
- Bi-weekly payroll – average 900 employees. Employees can have up to 30 deductions (benefits, taxes, direct deposit savings, court orders, etc.) Checks drawn against one (1) of the Treasurer's Cash Management Accounts. Due from other funds and due to withholding accounts recognized. Account is reconciled by Finance Department.

➤ Central Procurement

- Average Purchase Orders issued per month – 385
- Average Field Purchase Orders per month – 230
- Average VISA Procurement Card Transactions per month - 175
- Average Sealed Bids and Sealed Proposals per year – 45
- Approximately 6,700 vendors
- Accounts Payable function – matching invoices with purchase orders and input to computer for all departments. Approximately 2,000 invoices per month.
- County surplus equipment generally disposed of using GovDeals.



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➤ Bench Stock and Gasoline/Diesel

- Bench Stock and Gasoline/Diesel reported at average cost method.
- County Shop Bench Stock – 12 classes of items. Inventory on computer. Approximately 70 work orders issued in a week; expense to departments by AJE.
- General Fund Inventory Gasoline & Diesel Fuel expended using key card system identifying employee, department & vehicle. Computer generated expense to departments. PSA utilizes key card system to invoice other County departments.

➤ Accounts Receivable

Generally, becomes receivable when taxes levied or service is delivered, less uncollectable percentage, equals deferred revenue or revenue (depends on type of service). Deferred revenue becomes earned revenue when collected or collected within 60 days after the close of the fiscal year.

- Taxes Recognized as collected.

Real Estate Parcels – 94,000
Personal – 6,300
Merchants – 8,500
Vehicles – 150,000
Delinquent – 20,000

- Emergency Medical Services – Collection and billing in Finance/Collections

Active Accounts – 16,000
Approximately 1300 EMS calls per month
Collections – 1,300 receipts per month
Claims filed per month: Medicare - 600, Medicaid - 400, Insurance – 650, Patient bills – 1,200

- Landfill User Fees – payments collected by Finance/Collections

Active Haulers – 250
200 receipts per month (Billing down by Public Works)

- Public Service Authority – separate operation from above. Subsidiary accounts not on County automated system.



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Provisional rates, O & M Charge, Depreciation Charge, Contingency Charge set by Budget Ordinance to ten (10) customers with cost settlement at year-end per customer contracts. Quarterly billing.

Six (6) other types of service, monthly billing to 50 customers

- Fixed Assets

- 1. General Fixed Assets Account Group

- Fixed assets tagged @ acquisition cost of \$5,000 or more
Classed and depreciated under GASB codification § 1400.106

- 2. PSA Enterprise Fund

- Infrastructure capitalized and valued under GASB codification § 1400.111
Other fixed assets accounted for according to GASB codification § 1400.109

- 3. Other Enterprise Funds – similar to PSA Fund



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Quotation Form

Price to perform audits of County's General Purpose Financial Statements for the fiscal years ending:

June 30, 2016 _____

June 30, 2017 _____

June 30, 2018 _____

Classification of accounting firm: ☐ Local ☐ Regional ☐ National

Size of Staff:

1. Number of local partners: _____

2. Number of local CPA staff: _____

3. Number of local non-CPA staff accountants: _____

4. Number of EDP accountants: _____

Individuals assigned to this audit:

1. Number of local partners: _____

2. Number of local CPA staff: _____

3. Number of local non-CPA staff accountants: _____

Number of individuals assigned to the audit that have the required 24 hours of Governmental Continuing Professional Education: _____

Most recent CPE attended by Partner and senior CPA staff:

Date	Sponsor	Title

Are all local partners members of AICPA? _____ SCAPA? _____

Firm experience in government accounting? _____

Estimated number of hours to complete audit:

Fieldwork at County offices: _____

In accountant's office: _____

Total: _____



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References:

Client/Firm	Contact Person	Phone

Attach a copy of the most recent Peer Review.